

121 FERC ¶ 61,004
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;
Sudeen G. Kelly, Marc Spitzer,
Philip D. Moeller, and Jon Wellinghoff.

CenterPoint Energy Gas Transmission Company

Docket Nos. CP07-41-001
CP06-85-003

ORDER GRANTING CLARIFICATION

(Issued October 1, 2007)

1. CenterPoint Energy Gas Transmission Company (CEGT) requests clarification of a May 17, 2007 order¹ in this proceeding to establish that a Compliance Plan that was part of a Stipulation and Consent Agreement (Stipulation) approved by the Commission on March 4, 2004,² has expired and that, therefore, the Compliance Plan no longer controls the manner in which CEGT files negotiated rate agreements. In the event the Commission denies clarification, CEGT requests rehearing. The Commission grants the requested clarification.

Background

2. The Stipulation between the Division of Enforcement, Office of Market Oversight and Investigations and CEGT, resolved issues regarding CEGT's alleged violations of the reporting requirements for negotiated rate contracts that arose from a Show Cause Order issued in Docket No. IN03-11.³ The Stipulation required that CEGT take certain

¹ *CenterPoint Energy Gas Transmission Co.*, 119 FERC ¶ 61,138 (2007) (May 17 Order).

² *CenterPoint Energy Gas Transmission Co.*, 106 FERC ¶ 61,214 (2004).

³ *CenterPoint Energy Gas Transmission Co.*, 104 FERC ¶ 61,280 (2003).

remedial actions which were more fully set forth in a Compliance Plan that was part of the Stipulation which included the implementation of the following language at section 12.3 of its tariff:

The following procedure shall be used to file all negotiated rate contracts. Transporter shall file all negotiated rate contracts with the Commission by the earlier of (a) two (2) Business Days following contract execution or (b) the day of execution if gas is expected to flow within two (2) days of contract execution: provided, however, that no such contract shall be required to be filed earlier than sixty (60) days prior to the effective date for service to commence under the contract.

The Compliance Plan had a three-year term, which ended on March 4, 2007.

CEGT's May 17, 2007 Order

3. In the May 17 Order Amending Certificate and Issuing Certificate, the Commission authorized CEGT to (1) increase the certificated capacity of Phases I and II of its Line CP by approximately 36,000 Dekatherms per day (Dth/d), (2) make operational changes, (3) increase the maximum allowable operating pressure from 1,000 psig to 1,168 psig, and (4) install compression to increase the capacity of Line CP by an additional 280,000 Dth/d (the Phase III expansion). Based on CEGT's explanation that Phase III shippers agreed in their precedent agreements to execute firm negotiated rate transportation agreements that would be subject to the Stipulation, the May 17 Order required CEGT to file its negotiated rate contracts in compliance with the Stipulation.

4. In its request for clarification CEGT states that although the Stipulation and Compliance Plan were still in effect when the certificate application was filed, the three-year term of the Compliance Plan has now expired. Therefore, CEGT requests the Commission to clarify that CEGT's filing of negotiated rate agreements must continue to comply with CEGT's Commission-approved tariff, and other applicable requirements, but not with the Compliance Plan that was a part of the Stipulation.

Discussion

5. We grant the requested clarification. On June 1, 2007, CEGT filed in Docket No. RP07-475-000 to revise section 12.3 of its tariff, explaining that the current language had fulfilled a requirement of the Stipulation which was no longer effective. The revised

tariff language was accepted on June 28, 2007,⁴ to be effective on June 1, 2007, and reads as follows:

The following procedure shall be used to file all negotiated rate contracts. Transporter shall file all negotiated rate contracts with the Commission no later than the Business Day on which Transporter commences service at a negotiated rate (or if the day on which Transporter commences service is not a Business Day, then the next Business Day after Transporter commences such service).

6. Accordingly, CEGT's current tariff has a filing deadline for negotiated rate agreements based on the date service commences rather than on the date the contract is executed.

7. Because we have clarified the May 17 Order as requested by CEGT, the alternative request for rehearing is dismissed.

The Commission orders:

CEGT's request for clarification is granted as described in this order.

By the Commission.

(S E A L)

Nathaniel J. Davis, Sr.,
Acting Deputy Secretary.

⁴ Unpublished Director letter order.